

# **PRIMBON EFFECT TESTING ON INDONESIAN STOCK MARKET: INTRADAY ANALYSIS**

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## **Abstract**

The purpose of this study is to examine Primbon effect to abnormal return on Indonesia Stock Market. Primbon is Javanese belief of good day and bad day especially if Javanese people want to perform several rituals as an ethnic group. However this research will use Primbon as a matter of investment decision making on daily data in stock market. This study uses conclusive descriptive that is a of study giving conclusion from hypothesis to describe abnormal return phenomenon on Indonesia Stock Exchange based on Primbon. The research uses intraday trading with event study methodology to observe abnormal return of stocks recommended by Primbon that grouping into defensive stock for “rahayu” and aggressive stock for “rezeki besar” on certain time in a day. The results showed that abnormal return of stocks from stock group recommended by Primbon only presented on Monday aggressive stocks group from 09.00 to 11.00. But there is no difference with the other days. Thus it can be concluded that the recommendations of Primbon only affect the abnormal return on the Indonesia Stock Exchange partially. The groups of defensive and aggressive stock partially support the Primbon effect, and proved that Primbon even with low level, affect the abnormal return of the stock market.

Key Word: primbon, event study, abnormal return, defensive, aggressive